

Medicare Savings Programs Partners' Newsletter

Winter 2003

Louisiana Department of Health and Hospitals- Medicaid

Louisiana Receives Grant For Seniors/People with Disabilities

The Louisiana Department of Health and Hospitals is one of the first recipients of a new Robert Wood Johnson Foundation (RWJF) funded grant to increase enrollment in the **Medicare Savings Programs**. Medicare Savings Programs (MSP) were designed to protect people with disabilities, as well as low-income seniors from the growing costs of receiving Medicare coverage.

The three-year grant provides nearly \$420,000 to develop and implement initiatives to improve Medicare Savings Programs enrollment in Louisiana. Planned activities include: 1) community-based outreach, 2) application and renewal form simplification, 3) modification of eligibility requirements, and 4) computer system enhancements.

Medicare Savings Programs help low-income older adults and people with disabilities who don't qualify for full Medicaid benefits pay their Medicare premiums and co-payments. Those who qualify can save \$704 in Medicare premiums alone each year. Nearly 250,000 people in Louisiana are eligible to receive help through MSP, but only half actually participate. Many potential participants lack program awareness, are reluctant to apply for public assistance or are hindered by a burdensome and complex application process.

A toll-free telephone number has been established for individuals to call to obtain

more information about the Medicare Savings Programs: **1-888-544-7996**.

The Robert Wood Johnson Foundation, based in Princeton, N.J., is the nation's largest philanthropy devoted exclusively to health and health care. The Foundation concentrates its grant-making in four goal areas: to assure that all Americans have access to basic health care at reasonable cost; to improve care and support for people with chronic health conditions; to promote healthy communities and lifestyles; and to reduce the personal, social, and economic harm caused by substance abuse – tobacco, alcohol, and illicit drugs.

OPEN ENROLLMENT:
January 1, 2003 - March 31, 2003

The Medicare enrollment window is wide open. That's good news for people who did *not* apply for Medicare "medical insurance" when they turned 65. They have until March 31 to apply for this coverage by contacting Social Security at 1-800-772-1213. Coverage is effective July 1, 2003, for those who apply by March 31, 2003.

The first three months of every year are traditionally set aside as open season for anyone who didn't sign up for Medicare medical insurance, usually called Part B, when they turned 65. Those who initially thought they didn't need or couldn't afford Part B coverage, but have since learned they should have it, can make use

of this once-a-year opportunity. Otherwise, they will have to wait another entire year to apply for full Medicare coverage.

Medicare has two parts. Part A of Medicare helps cover inpatient hospital costs, some skilled nursing care and limited other expenses. Part B helps pay doctors' fees, outpatient hospital charges and many other expenses not associated with an inpatient hospital stay.

Most people take Part A, or hospital insurance coverage, when they turn 65 because that part of Medicare is **free**. Part A is actually funded by a tax deducted from workers' paychecks. For those who have not worked, SSA will take a "conditional" application for Part A, to determine if the individual meets the requirements for Part A entitlement. Part B coverage, or medical insurance, is funded by a monthly premium usually deducted from Medicare recipients' Social Security checks. That deduction is \$58.70 per month in 2003 for those who elect coverage during their initial enrollment period when they attain age 65. Some people don't take Part B because they think they don't need the coverage, or they figure they will be covered by other insurance. People who refused Part B during their initial enrollment period and then later decide to take the coverage can do so only during an open season, or "general enrollment period," January through March of each year. There is a penalty for delayed enrollment. It is an extra 10 percent for each year the person could have had Part B, but didn't take it.

To learn more about the Medicare program and the coverage policies of both Parts A and B, visit www.medicare.gov or call 1-800-Medicare. People who want to apply for Part B should call Social Security at 1-800-772-1213 (TTY: 1-800-325-0778).

Louisiana's number of Low-Income Seniors higher than the national average

The Kaiser Foundation estimates that two in five elderly people (43%) are **low income**, living on incomes below 200% of the federal poverty level. Twelve percent of the elderly have an income below the federal poverty level. Another 31 percent live on incomes between 100 and 200 percent of the poverty level.

19.5 % of Louisiana's Seniors are living below poverty level

Louisiana's percentages are **higher** than the national average. The 2000 Census estimates that 516,929 of Louisiana's residents are age 65 and over and that as many as **19.5 percent of them are living below the poverty level**.

According to the Kaiser Foundation (*State Health Facts*) there are 473,390 Medicare Beneficiaries in Louisiana. Of that 244,220 are estimated to be low-income (under 200%).

The Social Security Administration (SSA) began a legislatively mandated outreach project in May 2002 to provide information to individuals who may be eligible for the Medicare Savings Programs.

SSA has identified 260,137 potential eligibles in Louisiana. Informational letters were mailed to potential QMB/SLMB/QI eligibles three times a week (Mondays, Wednesdays, and Fridays) from May 10 through November 8, 2002. SSA will begin mailing the 2003 letters in April or May.

Increase in Income Limit Effective April 1, 2003

Each year the income limits for the Medicare Savings Programs increase on April 1. The Federal Poverty Income Guidelines (FPIG) is the income standard used to determine if an individual is income eligible for the Medicare Savings Programs.

Income standards and benefits effective April 1, 2003:

If your gross monthly income is less than:	You could qualify for this program:	This program will pay:
\$749 for an Individual OR \$1,010 for a Couple	Qualified Medicare Beneficiary (QMB)	Your Medicare premiums, deductibles, and coinsurance
\$898 for an Individual OR \$1,212 for a Couple	Specified Low-income Beneficiary (SLMB)	Your Medicare Part B premium
\$1,011 for an Individual OR \$1,364 for a Couple	Qualified Individual (QI-1)	Your Medicare Part B premium

QI-2 Program ended December 31, 2002

The Balanced Budget Act of 1997 created the Qualified Individual-1 (QI-1) and Qualified Individual-2 (QI-2) Programs for low-income Medicare beneficiaries. These programs were established for a five year period, 1998 through 2002.

The Qualified Individual 2 (QI-2) Program ended on December 31, 2002. This program paid only a small part of the Medicare Part B premium.

Fate of QI-1 Program Uncertain

Federal legislation has been enacted to protect QI-1's through September 2003. The Qualified Individual-1 Program pays the \$58.70 Medicare Part B premium for people with Medicare with incomes between 120% and 135% of the federal poverty limit.

We will keep you informed as we learn more about the fate of the QI-1 program.

**It's easy to apply for the Medicare Savings Programs.
Phone Toll-Free at 1+888+544+7996 to learn more about
the Medicare Savings Programs.**

Working with our MSP Partners to Increase Awareness about the Medicare Savings Programs



**Above: Mary Lieux, Manager
Unisys Provider Relations**

Throughout the State, we have formed many valuable partnerships with other agencies, organizations and the private sector to educate and increase awareness about the Medicare Savings Programs.

Currently, we have over 1,500 "MSP Partners" statewide. We recognize the contribution our "MSP Partners" make in helping us get the word out about these programs.

We want to give special recognition to Mary Lieux, Margaret Moreland, Betty Blake and Dora Miller for their outstanding contribution to the MSP Outreach project.



**Above left: Margaret Moreland,
Program Director for Minden Medical
Center's Outreach Department
Above right: Betty Blake, Shreveport
Region MSP Coordinator**



**Above: Dora Miller, Social Security
Administration Field Representative for
Caddo, Bossier and Desoto Parishes**

Enrollment in MSP continues to Increase

There has been a steady increase in enrollment in the Medicare Savings Programs since July 2002, when we intensified our effort to educate and raise awareness about these programs. Since July 2002, enrollment in the Medicare Savings Programs has increased by 5,161 people.

With your help, we hope to reach those who may be eligible for these programs and continue to increase enrollment.

**A Special Thank You
to all of our “MSP Partners”
throughout the State
for your contribution to
and support of the
Medicare Savings Programs
Outreach Project**

Call us Toll-Free at **1+888+544+7996:**

- ▶ For answers to your Medicare Savings Programs questions.**
- ▶ For Medicare Savings Programs enrollment forms.**
- ▶ To schedule a MSP presentation.**
- ▶ If you are not a “MSP Partner” and want to participate in the effort to raise awareness about MSP. You can control the level of your participation. It may be as simple as displaying the MSP enrollment form at your place of business.**